

Virg

State Senator Bernero

Serving the 23rd District Constituents in Lansing

Housing Newsletter



Dear Friends,

With the Legislature back at work for the fall session, I want to take this opportunity to bring you up to date about some exciting things that are happening here in Lansing. I also want to provide you with some information about what I am working on in the State Capitol.

One of the most critical issues facing the city of Lansing is housing. Our neighborhoods are the foundation of a strong community, and healthy neighborhoods with affordable housing are crucial to our quality of life. Healthy neighborhoods are also essential to attracting and retaining young families - and their enormous spending power - who wish to make Lansing their home.

In this newsletter, I will inform you about some of the things I am doing at the state level to make Lansing's neighborhoods safer and more livable. You will find information regarding a new law I sponsored that will give Michigan cities, including Lansing, the tools they need to tackle the problem of abandoned houses. Also provided is essential information that will ease the process for first-time home buyers. In my Capitol Update, I will let you know about some of the things we have done this year, as well as some of my plans for the last couple of months of 2003.

Finally, I want you to know that my door is always open. If you have any questions or concerns regarding the information in this newsletter; or state government in general, please feel free to use the contact information provided on this page. Your thoughts and ideas are essential to me, and your input will help me to better represent our community.



Sincerely,

Virg Bernero

State Senator • 23rd District

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Bernero Abandoned Housing Bill Signed by Governor Granholm

Cities throughout Michigan have been plagued by thousands of vacant and abandoned buildings, creating a dangerous and unsafe environment. These buildings are often very hazardous for school-age children who make their way through their neighborhoods on the way to and from school. The blight caused by empty buildings or vacant lots makes neighborhoods unsightly and unlivable, because the properties create visual areas so unattractive that they can debilitate a community's sense of purpose and the residents' pride in their homes. These houses frequently reduce the value of surrounding properties. When this happens, both property owners and local units of government that levy taxes lose revenue, diminishing funds available for public schools, neighborhood improvements, police and fire protection, and all the other services that city residents have come to expect.

The city of Lansing is no different. Today, nearly 500 abandoned homes stand boarded and empty in Lansing neighborhoods. Most have a "red tag" on the door that declares the premises unfit for human habitation. Some have been abandoned for more than a decade. Many Lansing residents are concerned about drugs, arson, prostitution, and other crimes occurring in or near these homes. Research shows that there is a strong relationship between the number of abandoned buildings in Lansing and the crime rate within the neighborhood. Senator Bernero believes that these houses must be rehabilitated.

On August 13, Governor **Jennifer M. Granholm** signed into law **Senate Bill 230**, a bill Sen. Bernero sponsored that



Senator Virg Bernero addresses his colleagues on the Senate floor during a recent legislative session.

allows city governments to be much more aggressive in renovating or demolishing houses that are boarded and abandoned for more than two years. Before Bernero's bill, local governments were hamstrung when they wanted to eliminate abandoned houses. Michigan law allowed removal of the structure only if the cost of repair was greater than 50 percent of market value. However, it could sometimes take years before abandoned structures reached this threshold.

"This new law will create a stronger incentive for property owners to repair 'red-tagged' houses while they are in good enough shape to be rehabilitated," said Bernero, a member of the Senate Committee on Local, State & Urban Affairs. "Absentee landlords who don't care about our neighborhoods should not be allowed to let their properties deteriorate to the point that they become unlivable. Our neighborhoods need help now, and this new law gives municipalities another tool to confront the problem of urban

blight and decay in their communities head on."

In 2002, a law known as the **Municipal Blighting Property Program** came into effect. The law created a mechanism for local governments to designate abandoned structures as "blighting property," purchase or condemn the property, and then transfer the property for redevelopment, often to private, not-for-profit housing development groups. Sen. Bernero believes that a partnership between state and local governments and the private sector, primarily these nonprofit development groups, is essential to revitalize areas affected by urban blight and decay.

"The sad fact is that these abandoned houses are a major drain on a city's resources," said Bernero. "Along with the lost tax revenue from these blighted properties, our police and fire departments are stretched even thinner because of calls to these properties - some as many as 10 to 15 at the same address. That has got to stop."

Exciting News for First-Time Home Buyers

Home and apartment renters in Lansing know all too well the problems associated with renting property: no equity in a home, no tax benefits, no control over rent increases, and the possibility of eviction, just to name a few. According to the 2000 Census, more than 42 percent of Lansing's housing is rental property (compared to the statewide average of a little more than 23 percent).

Homeownership, on the other hand, has numerous benefits: a sense of community, stability, and security; no dependence upon a landlord to maintain the property; the property builds equity; and, an owner is free to change the landscape or décor as he or she sees fit.

The state of Michigan has a long and proud tradition of making the dream of homeownership come true - especially for the state's low- and moderate-income families. For example, in an effort to

make homeownership more affordable, the Michigan State Housing Development Authority (MSHDA) reduced interest rates to an historic low this June. MSHDA now finances loans to modest-income home buyers at an interest rate of 4.5 percent for a 30-year fixed-rate mortgage. Interested home buyers can fill out a pre-qualification application on the MSHDA website, www.mshda.org, or can call 1-800-327-9158 for more information.

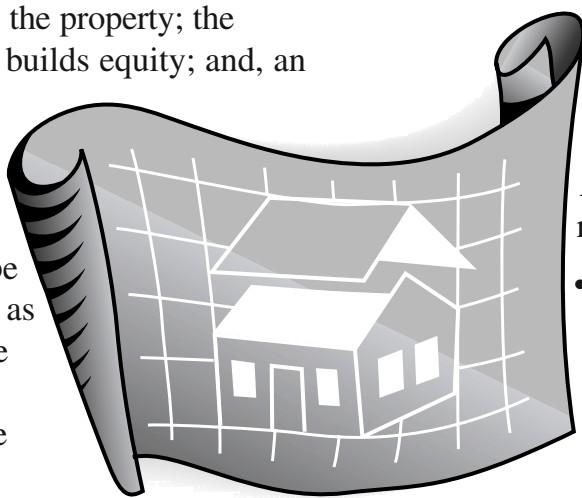
I know that many Lansing residents are looking to purchase their first homes, and there are many programs and agencies to assist first-time home buyers. Among these resources are:

- **MSHDA**, which offers low-interest-rate loans to families and individuals for purchasing homes;
- **Lansing Habitat for Humanity**, a nonprofit organization whose mission is to increase the capacity to build simple, decent homes

in partnership with people in need in the State of Michigan;

- **The Greater Lansing Housing Commission**, a public housing authority that provides housing assistance to residents of the Greater Lansing area;
- **U.S. Department of Housing and Urban Development (HUD)**, a federal department charged with helping everyone - especially first-time homebuyers and minority families - take advantage of new opportunities to own their own homes;
- **The Michigan Home Ownership Coalition**, an organization that assists individuals with disabilities and their families to become homeowners; and
- **The City of Lansing Department of Planning and Development's Home Investment Partnerships Program**.

For more information regarding these agencies and programs, use the handy clip-and-save **Directory of Housing Resources in Lansing** chart provided below.



Clip & Save

Directory of Housing Resources in Lansing

Michigan State Housing Development Authority

735 E. Michigan Avenue
Lansing, MI 48912
Phone: (517) 373-9184
Fax: (517) 373-4627
Website: www.mshda.org

Greater Lansing Housing Commission

310 Seymour Avenue
Lansing, MI 48933
Phone: (517) 487-6550
Fax: (517) 487-6977

Habitat for Humanity of Lansing

1137 Haco Drive, Suite 1
Lansing, MI 48912
Phone: (517) 374-1313
Fax: (517) 374-6279
E-mail: habitatlan@aol.com

City of Lansing Department of Planning and Development

Main Office
316 N. Capitol Avenue
Lansing, MI 48933
Phone: (517) 483-4060
Fax: (517) 483-6036

Michigan Home Ownership Coalition

Contact: Daryl Danke
Phone: (616) 363-2140

U.S. Department of Housing and Urban Development

Detroit Field Office
477 Michigan Avenue
Detroit, MI 48226-2592
Phone: (517) 226-7988
Fax: (517) 226-5611

Clip & Save



FREE Publications Available

As a service to you, I am very pleased to offer the following publications from my office. Please check the appropriate box(es) below, fill in your name and address in the space provided, and return this entire coupon to: State Senator Virg Bernero, P.O. Box 30036, Lansing, MI 48909-7536.

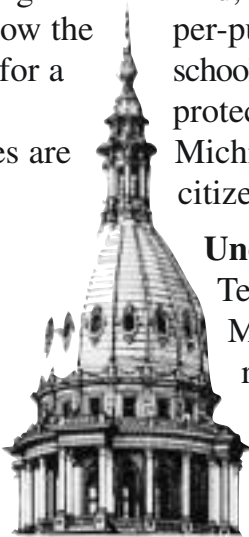
- ☐ Citizen's Guide to State Government
- ☐ Veterans Benefits and Services
- ☐ Changes and Choices (Legal Rights of Senior Adults)
- ☐ A Practical Guide for Tenants and Landlords
- ☐ Your State Capitol ... A Walking Tour
- ☐ Services for Seniors
- ☐ State of Michigan Map

Name _____ Address _____
City _____, MI Zip Code _____ Phone () _____

Bernero's Capitol Update

Smart Zone. Now that summer recess is over, my first priority will be introducing legislation that would allow the city of Lansing to apply for a Michigan Smart Zone designation. Smart Zones are collaborations between universities, industry, research organizations, government, and other community institutions intended to stimulate the growth of technology-based businesses and jobs throughout the zone.

2004 Budget. The legislature recently completed the budget for Fiscal Year 2004. The state faced a \$1.7 billion deficit, one of the largest in state history. This was not the time for one-time fixes. The final budget agreement is fiscally and socially responsible. We



managed to eliminate that huge deficit, without raising taxes. And, we were able to maintain per-pupil funding in our public schools at \$6,700 while protecting health care for Michigan's most vulnerable citizens - children and seniors.

Unemployment Benefits.

Tens of thousands of Michigan workers will receive additional unemployment benefits due to legislation passed this August. Qualified unemployed workers who have exhausted their current benefits will receive an additional 13 weeks of federal benefits under the legislation. Michigan qualified for this additional funding because our unemployment level has exceeded 6.5 percent for the last three months.

Kevin's Law (Senate Bills 683-686). On Aug. 17, 2000, Kevin Heisinger, 24, was on a bus home to Chicago from orientation at the University of Michigan School of Social Work. Brian Williams of Ypsilanti beat Kevin to death with his fists in the men's restroom of the Kalamazoo bus station. Williams, who was not taking medication, said that voices made him beat the young man to death. He had been diagnosed with schizophrenia when he was a teenager. To honor Kevin's memory and prevent such incidents, I am working to pass "Kevin's Law," which would permit court-ordered outpatient treatment for mentally ill people who are least able to help themselves or most likely to present a risk to others.